



DCCA NEWS RELEASE

BUSINESS REGISTRATION DIVISION

RYAN S. USHIJIMA

Commissioner of Securities

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FOR IMMEDIATE RELEASE

NOVEMBER 12, 2002

COMMISSIONER OF SECURITIES ISSUES ORDER AGAINST VIZION ONE AS ILLEGAL PYRAMID SCHEME

On Thursday, November 7, 2002, the Commissioner of Securities, Ryan Ushijima, issued a Preliminary Order to Cease and Desist and Notice of Right to Hearing against **VIZION ONE, INC.** dba **VIZIONONE.COM**, **CLIFTON BRAUN**, **DAVID BRAUN**, **DEAN SAITO**, and **THOMAS LEE**, aka **TOMMY LEE**, who are individuals and/or entities involved in what appears to be an illegal pyramid investment scheme.

An investigation by the Securities Enforcement Branch, State of Hawaii, indicates that the Vizion One program is promoted by local individuals and through the Internet. Members and representatives of Vizion One have been making several promotional presentations a week throughout the State, with an attendance of over 300 people at each presentation. The Vizion One program primarily targets college-aged persons and has spread primarily through friends and family.

Vizion One claims to be an Internet Service Provider and is recruiting people into the business by representing that by joining now, "you will be getting in on the ground floor" and will have the potential to earn up to \$15,000 a week and receive a brand new Mercedes CL600. Applicants pay \$95.00 or \$295.00 to become either an Independent Representative or Training Executive of Vizion One. A Training Executive receives \$60-\$100 for recruiting two people into the business and continues to receive \$60-\$100 when those two people each recruit two more people and so on. In addition, Vizion One offers bonuses to members as they recruit more and more people. Although Vizion One claims to be selling internet service and that its members receive commissions on the sale of the service to customers, the real emphasis is on recruiting others into the business.

Under State securities laws, memberships or interests in a pyramid investment program can constitute an investment contract, which is defined by statute to be a "security." State securities laws require that such investments – as well as the individuals and companies soliciting their sale – be registered with the State. Neither the investments nor the individuals and entities named here are registered with the State.

The Order issued by the Commissioner finds that memberships or interests in Vizion One are securities, prohibits the named parties from making any offers, sales, or solicitations of these securities or any other securities, in the State of Hawaii, and imposes a civil penalty of \$100,000.00.

VIZION ONE – PYRAMID SCHEME

November 12,

DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

BENJAMIN J. CAYETANO, Governor

KATHRYN S. MATAYOSHI, Director

NOE NOE TOM, Deputy Director

2002

The Hawaii Securities Commissioner strongly cautions Hawaii residents not to participate or become involved in any investment, which appears to be an illegal pyramid scheme. Many illegal pyramids attempt to establish their legitimacy by purporting to sell a product. What distinguishes these schemes from legitimate multilevel marketing businesses is that a pyramid concentrates mainly on the quick profits to be earned by recruiting others to invest, who in turn, will recruit others, and so on. The merchandise or service to be sold is largely ignored and generally of only nominal value.

To avoid getting burned in a pyramid scheme, consider the following:

- Avoid any plan that primarily emphasizes offering commissions to recruit new members.
- Beware of plans that ask you to spend money up front on costly inventory or paying for multiple memberships or “spots”.
- Be cautious of claims that you will make large amounts of money through the recruitment new members instead of on sales you make yourself.
- Beware of promises about high profits or claims about “miracle” products.
- Be cautious about references and testimonials; these “decoy” references may be paid by the promoter to describe their fictional success in earning money through the plan.
- Don’t pay money or sign contracts in a high pressure situation.
- Do your homework. Check out all offers with your local Better Business Bureau and the Securities Enforcement Branch.

For further information, contact the Securities Enforcement Branch of the Department of Commerce and Consumer Affairs at 586-2740 on Oahu. The toll free numbers for the neighbor islands are as follows:

Big Island:	974-4000, then enter 62740 and hit #
Kauai:	274-3141, then enter 62740 and hit #
Maui:	984-2400, then enter 62740 and hit #
Molokai & Lanai	1-800-468-4644, then enter 62740 and hit #